

# Information about the Residential Aggregation Program

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19 communities in Illinois are now buying their electric power from suppliers other than ComEd. The average resident is saving \$150 to \$175/year. ComEd continues to bill each resident, and continues to repair any outages. The Village will be placing a referendum on the upcoming March 2012 ballot to determine if residents would like the Village to pursue similar savings.

If approved, the referendum would allow the Village to solicit bids on behalf of residents and small business to buy electric power on the open (de-regulated) energy market. *The goal is to secure lower electric supply rates for residents and small businesses in our community.*

Since the State of Illinois deregulated electric power providers, 75 percent of commercial volume has switched to buy power from suppliers other than ComEd. Conversely, few residents have moved to lower-cost energy suppliers. As a result, the State of Illinois created legislation allowing communities to leverage residential accounts by engaging in a process of "Municipal Aggregation," thus enabling municipalities to solicit competitive bids from suppliers on behalf of the entire community. This is similar to the way a Village sets rates for garbage collection or cable suppliers.

To engage in the Municipal Aggregation process, residents must vote YES on a referendum on the March 2012 ballot.

The Municipal Aggregation process should provide us with a "win-win" scenario. Even if the resolution passes, the Village is under no obligation to switch suppliers. The resolution simply gives the Village the right to solicit competitive bids. The Village can determine whether bid terms and pricing are compelling enough to move residents' accounts en masse to a new, lower cost supplier. If not, all residents will remain with ComEd for the next 12 months.

*ComEd service will not change:* ComEd would continue to manage and maintain the network (of stations and wiring) that delivers your electric power. Residents will continue to call ComEd in the event of a power outage. Residents will still be customers of ComEd's delivery system and receive bills from ComEd with the only difference being the name on the line item for power supplier.

Should the municipality choose a new energy supplier, the supplier will contact each electric account to offer them the opportunity to "opt out" of the new plan. The resident can return a short form provided by the energy supplier, stating their desire to "opt out" and continue to purchase power from ComEd.

Residential electric rates are set once annually by ComEd. ComEd earns no income from the sale of electric power; they simply distribute it. As such, they are "indifferent" from what supplier a community chooses to buy its power.

The Village will be placing a Referendum on the March 2012 ballot. If the majority of voters concur, then the Village can seek lower electric rates for its residents. A sample of Referendum to appear on March 2012 ballot.

Should the Village have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?	YES NO
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## Frequently Asked Questions

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Q: How can the Village purchase electric power at a lower cost?

A. The State of Illinois has deregulated energy markets, allowing competing companies to offer electric power. Municipalities can leverage residents' electric accounts to seek competitive bids for lower electric rates.

Q: Who do I contact if there is a power outage or downed lines?

A. Call ComEd. By State Law, ComEd will continue to be paid to deliver electric power to homes and businesses and handle all emergency repairs.

Q: Why is this opportunity available?

A. This is the last part of the deregulation process. Until this Act was amended, only large industrial, commercial and governmental entities could seek competitive bids for lower rates, and three-quarters of them do. Now residents can, too.

Q: What if I don't want to participate in the program?

A. Residents will have multiple opportunities to "Opt Out" of the program, which will be your right by law. You can continue to buy power through ComEd, although the rate will most likely be higher.

Q: What happens if the Village cannot obtain bids for better rates than ComEd offers?

A. Your account would stay with ComEd, who would continue to be your power provider and the local distribution company. Either way, ComEd will remain your distributor. By voting YES on the referendum, ComEd will compete with power suppliers from throughout the Midwest to provide our power.

Q: Why is the Village doing this?

A. The Village wants to help you buy your power at lower rates. As a governmental organization, we want to take advantage of the new law that was enacted to benefit our residents and small businesses. If a savings of \$125 to \$175/year can be achieved, you could use those monies for other purchases.

Q: What if I don't want a governmental entity to choose my electric power?

A: A government agency (The Illinois Power Agency) has been setting the Energy rate for ComEd for several years already. Now, with deregulation you have more options and the choice to "Opt Out."